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Hon. James C. Davis, Chairman
Sub-Committee on Manpower Utilization
of the Committee on Post Office and Civil Service
U. S. House of Representatives
Washington 25, D. C.

Dear Mr. Davis:

I am glad to respond to your letter of 17 May 1956 with respect to your desire to issue an interim report on manpower utilization.

In my letter of 9 February 1956, I advised you that we had completed an overall Agency survey embodying the possibility of savings from 23 separate considerations. There are five items in the field of possible internal duplication, four items concerning possible duplication vis-a-vis another agency, two items concerning the services which we perform for another agency, four items which possibly could be transferred to another agency, five items in the field of common concern within the intelligence community, and three dealing with possible combination of similar functions internally. Each part of this study has been referred back to the office of concern with the requirement that conclusions be made and referred to me. This has been in process for these last few months, but because of the substantial nature of these considerations, answers are not yet forthcoming on the majority. One lengthy study in respect to internal duplication has been completed, and we have found it operationally not possible to make any eliminations because of the sensitive nature

Hand carried by [redacted]
To [redacted] - 7/2/56

of the project. However, in other directions, we have made progress.

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We have not filled [] positions authorized under the curtailment ceiling which I have imposed. I have closed one substantial overseas installation and will, before the summer is over, save [] people. I am curtailing the size of another substantial overseas installation, and from it secure another saving of approximately [] people.

The application of business machines in various areas at Headquarters now in process of installation as the result of lengthy studies undertaken this spring will save [] people. These installations are in the nature of Flexowriters, IBM equipment, and other machines to improve our document locator system and several other quite substantial procedural mechanisms. In addition, certain straight procedural changes in one area have already saved [] people.

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In addition, some machine installations of various types together with other labor-saving devices have permitted us to absorb an increasing workload with the personnel we have on board. Without such installations we could not properly accomplish certain missions imposed on us, with existing manpower.

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Some of the [] people noted above have already been saved, but the largest number, arising from a single large machine installation, can't be counted until next January because the installation, already started, will not be completed until that time.

We are particularly interested for the future in extending our planning for the further use of various new business machines, includ-

ing tape-driven machines to cut down typing hours, and the acquisition of electronic computers to absorb clerical operations which can't be performed through the use of presently installed punch-card equipment. We are confident that with our existing machine equipment, and with new ones contemplated, that procedures will be tightened and shortened and the number of manhours required to handle the great amount of paper which our mission requires will be greatly cut down. I have been very pleased to note the strong leadership position in the whole machines field which various members of this Agency have taken for the whole intelligence community.

In respect to the development of a functional reporting system, we have established a formal program which places responsibility in major organizational elements.

The application of an Agency personnel ceiling, of which I previously advised you, has resulted in the elimination of [REDACTED] previously authorized positions.

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In the matter of developing staffing standards, we have completed and made installation of an entirely new manpower control mechanism which after adequate testing should provide the operating offices with a far better means of securing good manpower utilization. In addition, scrutiny of manpower utilization in all components of the Agency is a continuing process wherein we meticulously translate the functional requirements into needed personnel on a strict workburden basis.

You have asked about actions taken to improve our manpower Manage-

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ment Staff, and I am pleased to advise you of the steps already taken.

We have transferred [] Management Staff officers to the operational divisions for the purpose of further spreading technical competence in the manpower field, and we have acquired within the Management Staff increased competency by the acquisition of [] well-trained officers from either other Government agencies or from commercial life.

In this process we have added particular experience, maturity and overall general competency to the Management Staff. Today, I believe we stand in a good position with a well-rounded group.

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